
TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of: Township Council Special Meeting
Date of Meeting: April 30, 2008
Time of Meeting: 7:30 P.M.
Minute Page No: Page 1 of 5

Mayor Bieri called the Special Meeting of the West Milford Township Council to order.

Adequate Notice Statement

Mayor Bieri read the following statement:

Please note that in accordance with Chapter 231, Public Laws of 1975 of New Jersey, adequate advance notice of this special meeting was published in the Herald News on April 27, 2008; copies were provided to the Record, Star Ledger, Suburban Trends and Greenwood Lake News and posted continuously on the bulletin board in the main corridor of the Town Hall and on file in the Office of the Township Clerk.

Pledge of Allegiance

Mayor Bieri led all in attendance in a salute to the flag.

Roll Call

Present: Councilmembers Phillip Weisbecker, Joseph Smolinski, Salvatore Schimmenti, Robert Nolan, Marilyn Lichtenberg, Carmelo Scangarello. Mayor Bettina Bieri.

Absent:

Also Present: Acting Township Administrator and Township Clerk Antoinette Battaglia

Purpose

Mayor Bieri advised that the purpose of this meeting is to review the proposed 2008 Municipal Budget, go over updates and overview. Formal action may or may not be taken at this meeting. She deferred to Township Finance Director, Arthur Magnotti.

Overview

Township Finance Director Magnotti directed the Council to schedules that he had prepared of budget appropriations and reductions. He said that he had revised the previous appropriation sheet and that the revenue schedule was also revised. He said that he had incorporated recommended reductions into the capital appropriations schedule. He also included a salary and wage benefit projection for 2009. He created a schedule with varying scenarios and tax levy history. He said he would like to discuss the capital surplus because he has suggestions for the use. He pointed out that the tourism line item for \$3000 is for the Autumn Lights Festival. Mayor Bieri clarified that the line item was previously for fireworks and other events, not Autumn Lights Festival. In response to Councilman Nolan's question about fuel consumption, Mr. Magnotti explained that this line item requires constant monitoring and feels that if current trends remain and there is a mild winter, that in as much as the budget is tight, it might be okay. However, he would feel more comfortable with more money appropriated. He said that he has increased the Police car line item to \$28,000. In response to a question that had been asked regarding the cost to pave one mile of roadway, the Township Engineer has responded that it costs \$332,000 per mile inclusive of striping and guide rails.

Review of 2008 Municipal Budget

Mr. Magnotti began by going over the schedule of proposed appropriation reductions. He explained that the total recommended cuts totaled \$617,221 with \$50,000 of capital surplus revenues being added as well as \$5000 to solid waste revenues. The preliminary proposed revenues incorporated \$50,000 of capital surplus to lower tax levy. He had a revised capital sheets which had the cuts discussed. The schedule of salary and wages and benefits for 2009 is based on current staffing and staffing levels. He said that the grand total was \$1,121,192. He broke the police down separately from the other employees of the Township. The total forecast for 2009 police amounted to \$423,263. Councilwoman Lichtenberg asked for clarification with regards to the changes to titles within the Recreation Department. Interim Township Administrator Battaglia explained that at this time there is very little impact, however as time goes on, that may change and that 2009 would show some impact.

Mr. Magnotti reviewed the Tax levy and tax rates. He reviewed levy history and the proposed impact this year. He reviewed the impact of including MRNA (miscellaneous revenue not anticipated) and the possible restoration of State aid. Mr. Magnotti does not recommend using MRNA because it is a direct reduction to surplus for next year. Councilman Nolan had asked about the school budget impact. Mr. Magnotti advised that the increase was 1.9% this year as opposed to the significantly higher rate last year. Mayor Bieri clarified that if qualified for, the State aid for the average household would be \$25. Mr. Magnotti confirmed this. Councilman Scangarello commented that it looks as though the government will be restoring this aid. Councilman Nolan, however, said that he has been reading differently and that because of revenue shortfall, more cuts are expected and suggested introducing the budget without state aid. Councilman Scangarello asked Mr. Magnotti for clarification regarding MRNA. Mr. Magnotti explained that the more revenue you show on the balance sheet, the

TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of: Township Council Special Meeting
Date of Meeting: April 30, 2008
Time of Meeting: 7:30 P.M.
Minute Page No: Page 2 of 5

better your bond rating is. That impacts the bid received when you go out to bid. Councilman Smolinski asked how one uses surplus, if needed. Mr. Magnotti replied that the Council authorizes this for emergency purposes. Mayor Bieri thanked Mr. Magnotti and said that she felt that the schedules were very helpful. Councilman Nolan asked with regards to the salary wages and benefits what impact can be expected next year. Mr. Magnotti replied that it would be approximately \$96 for salary and wages with offsets due to pension reductions and actuarial adjustments.

With regards to the old capital project balances, Mr. Magnotti explained that this schedule has three columns of recommendations. He explained that one column recommends canceling \$173,000 to surplus if the Council is amenable. The next column is for facilities improvements and lastly sidewalk projects. He is recommending using that for streetscaping. Mr. Magnotti explained that he had emailed these figures to the departments as well as the Council and has had feedback from two of the department heads, one from Engineering and another from Recreation. He reviewed line by line the items and the recommendations. Councilman Scangarello commended Mr. Magnotti. Councilman Schimmenti commented that the cost for projects has increased and thus the old funding is outdated. Mr. Magnotti said that he would work with the new Administrator to review these items regularly. Mayor Bieri commended both Mr. Magnotti and Interim Administrator Battaglia for bringing this to the Council's attention. In her opinion the recommendations make sense. Councilman Nolan said that he was okay with taking the sidewalk money for streetscape. However he was not in agreement with the amount of money budgeted for facilities assessments. He wants to take it in as income. Mr. Magnotti explained that the downside of that would be that the Township would have to pay for bonding again. Councilman Smolinski expressed concern about having to go back to the taxpayers next year. Mayor Bieri asked if the Council was okay with using the capital account for streetscape. Consensus was reached. Mr. Magnotti expressed that an Ordinance would need to be prepared and Mayor Bieri agreed.

With regards to canceling of items into surplus, Mr. Magnotti reviewed the Community Services Directors recommendations and comments. Some of her concerns were with regards to keeping funds that are left from previous projects and using them if and when a current project runs over budget. Interim Administrator Battaglia explained, using the Westbrook Tennis Courts as an example, that funds were appropriated in 2002 for improvements to the tennis courts. They were not appropriated as a cash match for Open Space. Over a period of time, specific funds were appropriated for specific projects. The money cannot arbitrarily be used for another project. It was suggested that if this were to be done then there would be no incentive to stay on budget for any project. This brought up the Mt. Laurel project that is currently delayed. Interim Administrator Battaglia stated that she had gotten information from the Director and that this has led to more questions. This project was funded through a special source and these funds have been retained in cash. Mayor Bieri asked what happens when a project runs over budget and Ms. Battaglia explained that up to 20% is acceptable, but any more than that has to go before the State. It is the contention of the Council that if a project is going over budget then the Council must again be approached and allowed explanation as to what the circumstances are. Interim Administrator Battaglia explained that as a general rule, the Council must first approve any project. A fair price is assessed to the project, often on the advice of a consultant. The project then goes out for bid. If the project is bid at a higher rate than approved by the Council then the bid cannot be awarded. Additional funding must be retained. If the award is less than budgeted then the surplus is maintained in case of actual cost going over bid. When a project is completed then the money should be put into surplus and be allocated for a future project. Interim Administrator Battaglia explained that what the Director of Community Services was requesting of the Council was to have Councils approval to appropriate funding for future grant applications or as a backup account in the case of overages. General consensus was to disagree with the Director because the Council feels that there is more accountability with canceling and putting into surplus. Mayor Bieri asked if she had consensus with the Council.

With regards to the Facilities Fund, Councilwoman Lichtenberg acknowledged that there are some needs now for the Townships facilities. Interim Administrator Battaglia stated that there are certain items that are required to be addressed such as bulletproof glass for the Court, ADA compliance and the energy issues of Town Hall. Mayor Bieri asked if the Council would like to accept the budget as is and leave it in capital or perhaps as she suggested, to split and leave some money in capital so that the immediate needs can be addressed, but not to budget the entire amount of more than \$300,000. In further discussion Mr. Magnotti clarified that the \$20,000 in the Facilities fund could not be cancelled because it is part of an Ordinance that is not yet fully funded. Council consensus was reached for the entire schedule. Thank you's were given to Township Finance Director Magnotti and Interim Township Administrator Battaglia for their work on compiling the necessary figures.

TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of: Township Council Special Meeting
Date of Meeting: April 30, 2008
Time of Meeting: 7:30 P.M.
Minute Page No: Page 3 of 5

Regarding Trust accounts, Mr. Magnotti reviewed the snow removal budget and reserves with the Council. He explained that the Federal Forfeiture Account of \$2660 was applied negatively against the OE Appropriations for the Police Department. The Chief of Police was okay with this. Regarding the Damage to Township Property, he applied this against Building and Grounds but there is a rebuttal from the Township Engineer. The Township Engineer has requested that it not be factored in. The account was set up for damage reimbursement to, primarily, guide rails that have needed replacing after an accident. Mr. Magnotti agreed to remove this account from his calculations. Mr. Magnotti then said that the snow removal trust has been applied. He said that it has been deducted from the tax levy. Mr. Magnotti then spoke about the Fire Tower fund and after speaking with the Fire Marshal and Fire Commissioner, it was not to be incorporated. This fund is a reserve dedicated for tower instruments. The Council next reviewed the Farrell Field Tree Planting account. Mr. Magnotti explained that he had spoken with Planning Director Drew regarding a Resolution that was passed by the Planning Board that permitted for a letter of revocation of credit. Mr. Magnotti asked what was needed to rededicate the Resolution so to do something else with the money. Mr. Drew suggested he seek legal opinion from Township Attorney Semrau. He said that it has never been assumed against the tax levy. The Beautification Trust was not assumed and no changes were made. The Environmental Trust, he reduced the O/E. Regarding the Recreation Trust, Mr. Magnotti reduced by 30,000 across the board. He has not applied this anywhere and defers to Council for their direction pending review of the department director's rebuttal. Mr. Magnotti explained that he proposed \$37,000 in appropriation reductions from the Recreation Department's O/E. He clarified that he took \$6,000 and \$30,000 of Trusts. Regarding the \$14,259 in the Circus Fund, it has been the recommendation of Interim Administrator Battaglia that this be used for the Township's 175 Anniversary Celebration and Fireworks. This however, differs from the Recreation Department Director recommendation, as she would like it appropriated towards possible future uses at Jungle Habitat. Mr. Magnotti stated that he would await the Council's decision for dedicating this fund. Council consensus was to appropriate the Circus Fund to the Townships 175th Anniversary Celebration and Fireworks. Mr. Magnotti verified that he took a flat \$30,000 from the Recreation Department and has not allocated this as of yet. He confirmed that he took the amount from each of the departments funds such as concert, fireworks, coffee house, day camp, seniors etc. Concern was expressed by questioning if funds were raised for or by a specific event if they should be allocated towards a different cause. The Recreation Department Directors rebuttal was reviewed and it was determined that she did not comment on the preliminary budget recommendations. Mayor Bieri, referring to the Day Camp Trust said that she recommends using these trust funds. Councilman Smolinski said that the Director is emphatic that this trust not be used, and that the Council should listen to that recommendation. He feels that clarification should be sought from the director and determine how much is in the budget, whether she is in need of more, and is the program funding the trust. Mayor Bieri recalled that the appropriation was increased in the budget because of the increased program. With regards to the Fireworks Trust, Mayor Bieri commented that the monies for the Townships Fireworks Independence Day Celebration should either be budgeted for or trusted for. Interim Administrator Battaglia explained that it is the departments intent to eventually get the event to the point of being self-sustaining via trust, however it is not quite there yet. Mr. Magnotti explained that \$18,000 has been appropriated with \$12,500 having already been encumbered against it as downpayment for the Fireworks. A second encumbrance is anticipated soon as downpayment for the entertainment. Total anticipated expenses for the event are \$25,086. It is the ultimate plan for the event to be self-sustaining every third year. Mayor Bieri stated that she feels that events such as this should be budgeted for each year and let incoming revenues be offset against it. Her contention is that the Council knows that the event is being held each year and she feels it would make for simpler budgeting and accounting. Mr. Magnotti explained that by handling it this way it could adversely affect the capital budget. It was agreed by the Council to use the entire trust amount this year and offset it with revenues generated which would then be the seed money for next years event. Mr. Magnotti then moved on to reviewing the Day Camp trust. Mayor Bieri said that she feels that this falls under the same circumstances as the Fireworks trust and recommends using this trust. Councilman Smolinski said that the director is emphatic that this trust not be used and that the Council should listen to that recommendation. Mayor Bieri said that she recalled that the appropriation was increased in the budget because of the increased program size. Councilman Smolinski said that he feels further clarification should be obtained from the director and have her clarify how much she needs in the budget and if the program is being funded in the trust. It was clarified that the trust is funded with excess revenue. This year, with the program expansion, the trust will be required for funding. Mr. Magnotti explained that the director did not increase her budget for this program even though it is expanding but rather intends to use the trust to pay for additional costs. Councilman Nolan suggested that Council authorize sub accounts to the dedicated trusts by rider. Interim Administrator Battaglia explained that when this is done, specific accounting becomes difficult because all monies get lumped together and there is no breakdown as to what each event or program has generated. It was agreed that in the future, all departments would require a Resolution prior to setting up any sub accounts. Interim Administrator Battaglia said that she would get additional

TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of: Township Council Special Meeting
Date of Meeting: April 30, 2008
Time of Meeting: 7:30 P.M.
Minute Page No: Page 4 of 5

information from the director and forward it onto the Council members. Regarding the Library, it was explained that new legislation has come into effect whereby the Board of Trustees of the Library can adopt a Resolution to give the Township money back to lower the tax levy. Mayor Bieri was asked to follow up with the Library as to whether or not they have a written plan in accordance with the statute. Councilwoman Lichtenberg asked Mr. Magnotti to follow up with the Planning Department regarding \$22,000 streetscape grant which will expire August 1st. He said that he would contact the department regarding this.

Councilman Scanarello spoke regarding the auditors who are attending the May 7th meeting for interview. He said that he had read in the newspaper that the firm of Nisivoccia & Company had worked for an authority in Warren County and had overlooked an embezzlement scheme. Mayor Bieri, not in defense of this firm, but rather in explanation to the Council said that if the embezzlement did not look out of place, it is not unheard of to over look something like this. She said that she thinks every auditing firm has run into something like this. This scheme may have come to fruition as a result of a random check, she did not know. She feels that it should not be held as a reflection of what type of job they will be performing.

Interim Administrator Battaglia expressed that she and Mayor Bieri, with input from Fire Marshal Woch had reviewed applicants for the position of Fire Marshal, a position that is being vacated by retiring Fire Marshal Woch. They had narrowed the candidates to 6 and she asked if any members of the Council would like to sit in with them during the interviewing process. Councilman Scangarello said that he would like to be present during the interviews. Ms. Battaglia also advised that she has advertised for proposals for a Township Planning Director. She said that she and the Mayor would like to invite the Chairman of the Planning Board and the Chairman of the Zoning Board to be a part of any interviews forthcoming. She feels that they would benefit the interviewing process and sought Council's approval. Consensus was given. Ms. Battaglia also brought to the Council's attention an invoice that will be on the upcoming bill list. She said that the invoice was for a program that had already taken place. The Director of Community Services and Recreation had attached a memo to Ms. Battaglia's attention asking if she wishes to proceed with this program in September. Ms. Battaglia said that rather than decide from the Administrative level, she has provided copies of the memo for the council members review and input at the next meeting.

Discussion Items

Estimated Tax Bills

Mr. Magnotti said that he needed to expedite estimated tax bills and asked that the Council adopt a resolution on May 7th to provide for mailing out estimated tax bills that will ensure the Townships cash flow. He said that it costs the Township approximately \$5,000 per year for postage and handling. He said that he calculates the bills based on a 4.9% increase that is then adjusted up or down when the county has provided the Township with their budget. Consensus was to introduce a Resolution at the next meeting.

Ordinance Amending Use of Composting Facility

Public Comments

Bill Remia, 5 Yancy Terrace, Upper Greenwood Lake – stated that he was present to discuss the Bicycle Safety Program. He said that several years ago the police department started enforcing a bicycle helmet safety law. Mr. Remia said that he has approached the Community Services and Recreation Director, Palermo with the idea of positive reinforcement for children rather than negative reinforcement. Ms. Palermo said that the township did not have any programs in place; however, she felt that it would be something worth investigating. Mr. Remia said that he has found a very comprehensive program based in Washington, D.C. This program encompasses not only bicycle safety, but also pedestrian, school bus, parking lot, and skateboard safety. It is a program available for school grades Kindergarten through 5th Grade and integrates classroom learning with practical learning. He has met with the school officials to establish the core of the program with the school. He explained that the program centers on a trailer that houses the bicycles, helmets and other necessary paraphernalia and can be moved to various locations. Mr. Remia has formed a committee of concerned citizens and they have gotten bicycles and other necessary items donated. He is now asking the Council if they would be amenable to funding the trailer. The trailers cost is approximately \$4,600. He feels that the program could be integrated with the summer programs at Bubbling Springs Park and might possibly be something that could be leased to other townships, to help recoup costs. This committee is separate from the Recreation Committee and intends to work with students at the Township High School to have them provide art work, wood cut outs, shelves and any other items that they are capable of. The total program cost started at approximately \$12,000, however, the committee has streamlined the costs tremendously. He is asking that the trailer also be

TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of: Township Council Special Meeting
Date of Meeting: April 30, 2008
Time of Meeting: 7:30 P.M.
Minute Page No: Page 5 of 5

stored at the Johner Building and that the Township also insure the trailer. He said that the School is willing to provide the staffing and include the program in their curriculum but is not willing to fund the trailer. Councilman Weisbecker stated that he thinks that the idea is a great one, Councilman Nolan suggested that it be put into the fully funded capital budget and Councilman Sangarello said that the idea is hard to say no to. The Council thanked Mr. Remia for putting his heart and soul into such a program.

Adjournment

There being no further business to come before the Council, the Township Council adjourned the meeting at 10:41 p.m.

Moved: Weisbecker Seconded: Nolan
Voted Aye: Unanimous voice vote.
Voted Nay: None.
Motion carried.

Approved: June 25, 2008

Respectfully Submitted:

MAYOR BETTINA BIERI
PRESIDING OFFICER

Judy Manning, Part-time Secretary

ANTOINETTE BATTAGLIA
TOWNSHIP CLERK